

**REPORT
ON THE
RATE SETTING AUDIT**

**CAMELOT
BELLFLOWER, CALIFORNIA
PROVIDER NUMBER: LTC80017I
NATIONAL PROVIDER IDENTIFIER: 1457489759**

**FISCAL PERIOD ENDED
DECEMBER 31, 2009**

**Audits Section – Santa Ana
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Margaret A. Varho
Audit Supervisor: Lan Nguyen
Auditor: Favio Arrieta**



DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

Date: December 29, 2010

Cheryl Loflin-Wertz, President
Harbor Health Care, Inc.
16917 Clark Avenue
Bellflower, CA 90706

PROVIDER: CAMELOT
PROVIDER NO. LTC80017I
FISCAL PERIOD ENDED DECEMBER 31, 2009

We have examined the facility's financial records/Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the accompanying audit report schedules represent a proper determination of the allowable costs and patient days for the above fiscal period in accordance with Medi-Cal reimbursement principles. The results of our examination are as follows:

<u>COST AND COST PER DAY</u>		<u>COST</u>	<u>COST PER DAY</u>
Reported Cost/Cost Per Day	\$	440,731	\$ 215.31
Net Audit Adjustment		(37,102)	(22.65)
Audited Cost/Cost Per Day	\$	<u>403,629</u>	\$ <u>192.66</u>

This audit report includes the:

1. Audit Report Schedules 1 through 2
2. Audit Adjustments Schedule

Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Rate Development Branch.

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

If you disagree with the decision of the Department, you may appeal by writing to:

Chief
Office of Administrative Appeals and Hearings
1029 J Street, Suite 200
Sacramento, CA 95814-2825
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

United States Postal Service (USPS)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
PO Box 997413
Sacramento, CA 95899-7413

Courier (UPS, FedEx, etc.)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
1501 Capitol Avenue, Suite 71.5001
Sacramento, CA 95814-5005
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, Section 14171, and California Code of Regulations, Title 22, Section 51016, et seq.

If you have questions regarding this report, you may call the Audits Section—Santa Ana at (714) 558-4434.

(Original signed by Margaret Varho)

Margaret A. Varho, Chief
Audits Section—Santa Ana
Financial Audits Branch

Certified

**SUMMARY OF AUDITED FACILITY CENSUS
AND AUDITED CLIENT COST PER DAY**

Provider:
CAMELOT

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
LTC80017I

Provider NPI:
1457489759

**SUMMARY OF AUDITED FACILITY CENSUS
AND AUDITED CLIENT COST PER DAY**

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj 3)	2,047	2,095
2. Other Client Days (Adj)	0	0
3. Total Client Days	<u>2,047</u>	<u>2,095</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>440,731</u>	\$ <u>403,629</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>215.31</u>	\$ <u>192.66</u>

SHARE OF COST

1. Share of Cost Audit Adjustment (Adj)	\$ <u>NA</u>	\$ <u>0</u>
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OVERPAYMENTS

1. Duplicate Payments (Adj)	\$ <u>0</u>	\$ <u>0</u>
2. Credit Balances (Adj)	\$ <u>0</u>	\$ <u>0</u>
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
CAMELOT

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
LTC80017I

NPI:
1457489759

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		\$ 56	\$	\$ 56
050	Leases and Rentals		30,000		30,000
055	Real Property Taxes		2,283		2,283
060	Personal Property Taxes		0		0
065	Mortgage Interest		0		0
070	Property Insurance		1,942		1,942
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 34,281	\$ 0	\$ 34,281
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 9,252	\$	\$ 9,252
085	Utilities	1	6,529	(431)	6,098
090	Client Transportation		0		0
095	Dietary		11,369		11,369
100	Personal Care and Laundry		702		702
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 27,852	\$ (431)	\$ 27,421
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 62,133	\$ (431)	\$ 61,702
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 10,540	\$	\$ 10,540
120	QMRP Fringe Benefits		1,806		1,806
125	Lead Salaries		16,975		16,975
130	Lead Fringe Benefits		2,405		2,405
135	Aides Salaries		111,010		111,010
140	Aides Fringe Benefits		15,730		15,730
145	Other Salaries		67,752		67,752
150	Other Fringe Benefits		9,600		9,600
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 235,818	\$ 0	\$ 235,818

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
CAMELOT

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 1,163	\$	\$ 1,163
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant		1,360		1,360
175	Occupational Therapy Consultant		1,188		1,188
180	Pharmacist Consultant		480		480
185	Nurse Consultant		0		0
190	Psychologist Consultant		0		0
195	Physician Consultant		0		0
200	Recreational Consultant		940		940
205	Social Service Consultant		0		0
210	Other Consultant		0		0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 5,131	\$ 0	\$ 5,131
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		\$ 0	\$	\$ 0
225	Administrative Fringe Benefits		0		0
226	Quality Assurance Fees		27,577		27,577
230	Other General and Administrative	2	110,072	(36,671)	73,401
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 137,649	\$ (36,671)	\$ 100,978
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 440,731	\$ (37,102)	\$ 403,629
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$ 0	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 440,731	\$ (37,102)	\$ 403,629

Provider Name				Fiscal Period				Provider Number		Adjustments	
CAMELOT				JANUARY 1, 2009 THROUGH DECEMBER 31, 2009				LTC800171		3	
Report References		Audit Report		Explanation of Audit Adjustments							
Cost Report		Line		Col.		Sch.		Line		Col.	
DHS 3076		Page or Exhibit		Line		Col.		Sch.		Line	
Adj. No.		Line		Col.		Sch.		Line		Col.	
ADJUSTMENTS TO REPORTED COSTS											
1	4	85	4	2	85	5	Utilities	\$6,529	(\$431)	\$6,098	
To eliminate cable television expenses not related to patient care 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2104.3											
2	4.1	230	4	2	230	5	Other General and Administrative	\$110,072	(\$36,671)	\$73,401	
To adjust reported home office expenses to agree with the Harbor Health Care, Inc. Home Office Audit Report for fiscal period ended December 31, 2009. 42 CFR 413.17 / CMS Pub. 15-1, Sections 2150.2 and 2304											

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Provider Name		Fiscal Period		Provider Number		Adjustments	
CAMELOT		JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		LTC800171		3	
Report References		Audit Report					
Cost Report							
DHS 3076							
Page or Exhibit							
Line		Col.		Sch.		Line Col	
Adj. No.						As Reported As Adjusted	
				Increase (Decrease)			
				</			

ADJUSTMENT TO REPORTED CLIENT DAYS

3	2	3	3	1	1	2	Medi-Cal Client Days	2,047	48	2,095
To adjust total client days to agree with the provider's client census reports.										
42 CFR 413.20 and 413.50										
CMS Pub. 15-1, Sections 2205 and 2304										